CITY OF MUSKEGON PLANNING COMMISSION REGULAR MEETING MINUTES

October 14, 2021

T. Michalski called the meeting to order at 4:00 p.m. and roll was taken.

MEMBERS PRESENT: L. Spataro, B. Mazade, T. Michalski, J. Montgomery-Keast, E. Hood, D. Keener

MEMBERS ABSENT: S. Gawron, F. Peterson, J. Doyle

STAFF PRESENT: M. Franzak, C. Cashin

OTHERS PRESENT: L. Smalligan (2052 Bourdon St), J. Molengraff (1811 Continental St)

APPROVAL OF MINUTES

A motion to approve the Minutes of the regular Planning Commission meeting on September 16, 2021 was made by J. Montgomery-Keast, supported by D. Keener and unanimously approved.

PUBLIC HEARINGS

Hearing, Case 2021-26

Staff initiated request to amend the Lakeside Form Based Code to allow caregivers, microbusinesses, designated consumption establishments, class A recreational grows (500 plant max), class A medical grows (100 plant max), class B medical grows (500 plant max) and temporary marihuana events as a special use permitted in the Lakeside Commercial and Lakeside Heavy Commercial context areas.

SUMMARY

- 1. Marihuana caregivers are allowed in B-2, B-4, Medical Care, I-1 and I-2 zoning districts.
- 2. The Lakeside Business District was made up predominantly of B-2 and B-4 zoning districts. They were rezoned to Lakeside Form Based Code in May of 2019. The newly created Lakeside Form Based Code did not allow for caregivers at the time, which was an oversight from staff. There is now a legally non-conforming caregiver located in Lakeside, as it existed before the zoning change.
- 3. In November of 2020, in an effort to help get more local people involved in the marihuana industry, the Commission adopted an ordinance amendment that would allow smaller marihuana license types to operate where caregivers were already allowed. These license types included microbusinesses, designated consumption establishments, class A recreational grows, class B recreational grows, class A medical grows and temporary marihuana events as a special use permitted.
- 4. Had the Lakeside Business District not been rezoned to Lakeside Form Based Code, the Lakeside Businesses would have enjoyed the ability to operate these uses under a special use permit.
- 5. Staff is proposing to amend the Lakeside Form Based Code ordinance to allow these same license types in the Lakeside Commercial and Lakeside Heavy Commercial Context areas.
- 6. There are 37 properties in Lakeside that have Lakeside Commercial and Lakeside Heavy Commercial Context areas, however, most of them do not have enough space to operate for marihuana production. Its estimated that for a 100 plant grow, there will need to be at least 4,000-5,000 sf available for growing and harvesting.
- 7. Notice was sent to all properties within 300 feet of the "Lakeside Commercial" and "Lakeside Heavy Commercial" context areas. At the time of this writing, staff had not received any comments.

J. Montgomery-Keast made it known that this project is in her neighborhood.

Planning Commission had a short discussion about the case and mentioned concerns about there not being a limit on marihuana facilities in the city.

Six letters were mailed/emailed in regarding this case; five not in support and one letter of support. Time was allotted for public comment. Eight residents spoke; three in support, five not in support. Most concerns about this project were regarding the area being overrun by marijuana facilities. A motion was made to close the public hearing, by J. Montgomery-Keast, supported by B. Mazade and unanimously approved.

A motion that the request to amend the Lakeside Form Based Code to allow caregivers, microbusinesses, designated consumption establishments, Class A recreational grows, Class B recreational grows, Class A medical grows and temporary marihuana events as a special use permit in the Lakeside Commercial and Lakeside Heavy Commercial context areas be recommended to the City Commission for approval was made by L. Spataro, supported by T. Michalski and denied with E. Hood, D. Keener, T. Michalski voting aye and B. Mazade, J. Montgomery-Keast, L. Spataro voting nay.

Hearing, Case 2021-27

Request to rezone the property at 2052 Bourdon from R-1, Low Density Single Family Residential, to RM-2, Medium Density Multifamily, by Tall Tree Realty.

SUMMARY

- 1. The property is currently zoned R-1 and was most recently used as a church and school.
- 2. The lot measures 205' x 132' (0.62 acres). The church wing of the building measures 3,780 sf on the main floor and 3,600 sf in the basement. The educational wing measures 4,800 sf.
- 3. The applicant would like to convert the building into apartments (they are planning up to 14 units).
- 4. The density of this type of project would be about 22.5 units per acre. The RM-2 zoning designation allows up to 24 units per acre. The property also meets the minimum lot size (14,520 sf) and road frontage (125 feet) requirements listed in the RM-2 section of the ordinance.
- 5. There appears to be adequate parking on site. It may be possible to have between 20-25 parking spaces in the back.
- 6. Notice was sent to all properties within 300 feet of this parcel. At the time of this writing, staff had not received any comments.

Staff recommends the rezoning request. The area does not offer many choices for housing options and the change of use should help save the building from going into disrepair.

J. Montgomery-Keast made it known that this project is located on the street she lives on.

The Planning Commission discussed the project. B. Mazade & L. Spataro expressed concerns regarding parking and how the change in use may change the amount of regular traffic on the street and in the alley. J. Montgomery-Keast shared how many rentals are already in the immediate area and her concerns with the density of the area. T. Michalski expressed concerns about using the alley as the main entrance to the parking lot.

Three letters were mailed/emailed in regarding this case; three letters not in support. Twenty-Six neighbors signed a petition against the project. Time was allotted for public comment. Ten residents spoke; one in support, nine not in support. Most concerns about the area having too many rentals, the alley being too narrow and unimproved and too much traffic. A motion was made to close the public hearing, by J. Montgomery-Keast, supported by D. Keener and unanimously approved.

A motion that the request to rezone the property at 2052 Bourdon from R-1, Low Density Single Family Residential, to RM-2, Medium Density Multifamily Residential, be recommended to the City Commission for denial was made by B. Mazade, supported by J. Montgomery-Keast and unanimously approved.

Hearing, Case 2021-28

Request for a special use permit to operate a marihuana microbusiness at 1811 Continental St, by High Level Holistic, LLC. **SUMMARY**

- 1. The property measures 10,240 sf and the building on site measures 3,913 sf. The property has Continental St address but it actually fronts Laketon Ave.
- 2. The property is zoned B-2, Convenience & Comparison Business.
- 3. The ordinance was recently amended to allow microbusinesses in B-2, B-4, I-1, I-2 and MC districts with the issuance of a SUP.
- 4. The ordinance for microbusiness does not have the same stringent landscaping/blight elimination requirements as in the marihuana overlay district.
- 5. The building is currently being used as a marihuana caregiver facility and they grow up to 72 plants at a time. A microbusiness would allow them to grow up to 150 plants, process and sell retail on site.
- 6. There is adequate parking on site and the parking lot was recently repaved and stripped.

Staff supports the SUP request because it meets the intent of the ordinance. A SUP should only be granted if it is compatible with the area and this project has the potential to be a catalyst for the business district between Getty St and US 31, which has a fair share of underperforming businesses, vacancies and blight. The building is within a mile of the highway, which should bring plenty of customers from outside the city. Increased traffic from consumers would serve this area well. A landscaping plan should be provided to staff.

- D. Keener made it known that this project was in her neighborhood, where she sits and the president of her neighborhood association.
- J. Molengraff spoke regarding his project. He has been a medical marihuana caregiver grow in the city since 2012 and is hoping to be one of the first local residents to open a retail location in the city.

Planning Commission had a short discussion about the project. D. Keener asked about beautifying the building, J. Molengraff said he would be working with the Planning Department to add landscaping and possibly a mural to the building.

A public hearing was had, two residents spoke not in support of the project. A motion was made to close the public hearing, by J. Montgomery-Keast, supported by L. Spataro and unanimously approved.

A motion that the request for a special use permit to operate a marihuana microbusiness at 1811 Continental St be approved with the following conditions.

- 1. A landscaping plan is approved by staff.
- 2. A filter system is continuously used and maintained/replaced as needed to eliminate any nuisance odors.

was made by L. Spataro, supported by E. Hood and approved with E. Hood, D. Keener, T. Michalski, J. Montgomery-Keast, L. Spataro voting aye and B. Mazade voting nay.

Hearing, Case 2021-29

Staff initiated a request to rezone all R-1, R-2 and R-3 properties in the Angell, Nims, Jackson Hill and McLaughlin Neighborhoods to Form Based Code, Urban Residential.

SUMMARY

1. On September 10, 2020, staff brought forward a request to rezone all R-1, R-2 and R-3 properties in the Angell, Jackson Hill and McLaughlin Neighborhoods to Form Based Code, Urban Residential. Planning Commission recommended approval to the City Commission by an 8-1 vote. The City Commission tabled the request until all property owners were notified of the request by mail. After notification, the City Commission eventually denied the request by a 5-2 vote. The City Commission was fairly receptive of the request, however, they felt that more information could be shared with the residents before it was brought back for another request.

- 2. Staff has spent time developing educational materials that have been available on the website since September. Those materials are included in your packet ("inclusive zoning" info) and at the link below (a narrated presentation is available at the link).
 - https://www.muskegon-mi.gov/departments/planning/zoning/inclusive-zoning/
- 3. Staff has added the Nims Neighborhood to the request after discussing the option with neighbors.
- 4. The rezoning would allow single-family homes, townhomes, duplexes, small multiplexes (with the presence of an alley) and carriage houses to be built on these parcels.
- 5. Notice was sent to all residential properties within the Angell, Nims, Jackson Hill and McLaughlin Neighborhoods. At the time of this writing, staff has not received any comments from the public.

Planning Commission discussed the project. L. Spataro spoke about this zoning allowing local residents to build affordable houses and duplexes, which would in turn prevent some gentrification. He mentioned that Nelson neighborhood has seen positive results from their change to Form Based Code-Urban Residential. J. Montgomery-Keast and D. Keener expressed concerns that residents need to be educated on what Form Based Code-Urban Residential means. M. Franzak mentioned the letters, presentations, and meetings that have been provided to the residents over the past 12 months.

Four letters were mailed/emailed in regarding this case; four letters not in support. Time was allotted for public comment. Thirteen residents spoke; four in support, seven not in support, and two neutral comments asking the City to spend more time educating the residents of the affected neighborhoods. Most concerns were about adding too many rentals to the neighborhoods and too much density. A motion was made to close the public hearing, by J. Montgomery-Keast, supported by E. Hood and unanimously approved.

A motion that the request to rezone all R-1, R-2 and R-3 properties in the Angell, Nims, Jackson Hill and McLaughlin Neighborhoods to Form Based Code, Urban Residential be recommended to the City Commission for approval was made by L. Spataro, supported by J. Montgomery-Keast and approved with D. Keener, T. Michalski, J. Montgomery-Keast, L. Spataro voting ave and F. Hood, B. Mazade voting nav.

by L. Spataro, supported by J. Montgomery-Keast and approved with D. Keener, T. Michalski, J. Montgomery-Keast, L. Spataro voting aye and E. Hood, B. Mazade voting nay.
NEW BUSINESS
None
OLD BUSINESS
None
UPDATES ON PREVIOUS CASES
None
<u>OTHER</u>

ADJOURN

None

There being no further business, the meeting was adjourned at 7:35 PM.